



NEWS RELEASE

CALIFORNIA STATE TREASURER PHILIP ANGELIDES

For Immediate Release

Contact: Heather Atherton
RS&E
(916) 446-9900

New at ScholarShare — Fast, Easy Online Enrollment *Opening a Tax-Advantaged College Savings Plan is Now Easier Than Ever*

Sacramento, CA (April 3, 2002) – ScholarShare, California's state-sponsored 529 program for families saving for their children's college education, now features online enrollment through the program's Web site, www.scholarshare.com.

Once on the site, visitors can click their way through an enrollment process that is easy and quick to complete. Initial contributions can be made through an electronic funds transfer through their bank, or by printing out a voucher and mailing it together with a check. Visitors can also download enrollment materials or submit a request to have an enrollment kit mailed to them.

ScholarShare officials expect online enrollment to quickly become a popular option for families seeking a fast, easy and convenient way to act on the need to save for their children's higher education.

"Within a few minutes, parents with busy lives can take the first step toward securing a college education for their children right from their home computer," said State Treasurer Philip Angelides, who launched ScholarShare in October 1999 to help California families save for the cost of higher education.

ScholarShare offers significant tax advantages, making saving for college easier and more affordable. Withdrawals from a ScholarShare College Savings plan are federally tax-free, as long as the funds pay for higher education expenses such as tuition, books, and room and board. State taxes are deferred until withdrawal, but are based on the student's income bracket, which is typically much lower than their parents' income bracket.

ScholarShare features five investment options, including the recently added Aggressive Age-Based Asset Allocation Option. This investment strategy changes the investment mix between equities, bonds, and money market instruments depending on the child's age. It is based on the Age-Based Asset Allocation Option, which has a more conservative investment approach with less long-term exposure to equity markets.

In addition to the Aggressive Age-Based Asset Allocation Option and the Age-Based Asset Allocation Option, other options include: the 100% Equity Option, where contributions are allocated between domestic and international equity funds; the 100% Social Choice Equity Option, where contributions are invested in equities from companies not involved with tobacco, alcohol, weapons and gambling; and the Guaranteed Option, which generates at least a 3 percent return on principal. Except for the Guaranteed Option, returns will fluctuate and are not guaranteed.

ScholarShare funds can be used at most public and private colleges, universities and many accredited professional and trade schools in the United States, and some overseas schools. Funds can be used for tuition, certain room and board expenses, books, and required fees and supplies.

ScholarShare funds are managed by TIAA-CREF, a leading national financial services company with over \$270 billion in assets under management.

For more information on ScholarShare, visit www.scholarshare.com, or call toll-free 1 877 728-4338.

For more information about the Golden State ScholarShare College Savings Trust, you must consult the Disclosure Booklet. Accounts representing interests in the Trust are offered only through the Participation Agreement and the Disclosure Booklet, which describes the program. Neither contributions nor investment returns in ScholarShare are guaranteed (except with respect to contributions to the Guaranteed Option). Investment results will vary based on market performance and the value of your investment can go up or down. Also, there is no guarantee or assurance that your investment objectives will be met.